

103^D CONGRESS
1ST SESSION

S. 1122

To amend title 38, United States Code, to authorize the Secretary of Veterans Affairs to carry out a program for repayment by the Secretary of certain education costs incurred by certain Veterans Health Administration employees, and for other purposes.

IN THE SENATE OF THE UNITED STATES

JUNE 17 (legislative day, JUNE 15), 1993

Ms. MIKULSKI introduced the following bill; which was read twice and referred to the Committee on Veterans' Affairs

A BILL

To amend title 38, United States Code, to authorize the Secretary of Veterans Affairs to carry out a program for repayment by the Secretary of certain education costs incurred by certain Veterans Health Administration employees, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Department of Veter-
5 ans Affairs Health Professionals Education Debt Reduc-
6 tion Act”.

1 **SEC. 2. PROGRAM OF ASSISTANCE IN THE PAYMENT OF**
2 **EDUCATION DEBTS INCURRED BY CERTAIN**
3 **VETERANS HEALTH ADMINISTRATION EM-**
4 **PLOYEES.**

5 (a) PROGRAM.—(1) Chapter 76 of title 38, United
6 States Code, is amended by adding at the end the follow-
7 ing:

8 “SUBCHAPTER VI—EDUCATION DEBT
9 REDUCTION PROGRAM

10 **“§ 7661. Authority for program**

11 “(a) The Secretary may carry out an education debt
12 reduction program under this subchapter. The program
13 shall be known as the Department of Veterans Affairs
14 Education Debt Reduction Program (hereafter in this sub-
15 chapter referred to as the ‘Education Debt Reduction Pro-
16 gram’). The purpose of the program is to assist personnel
17 serving in health-care positions in the Veterans Health
18 Administration in reducing the amount of debt incurred
19 by such personnel in completing educational programs
20 that qualify such personnel for such service.

21 “(b) Such assistance shall be in addition to the assist-
22 ance available to individuals under the Educational Assist-
23 ance Program established under this chapter.

1 **“§ 7662. Eligibility; application**

2 “(a) An individual eligible to participate in the Edu-
3 cation Debt Reduction Program is any individual (other
4 than a physician or dentist)—

5 “(1) who is serving in a position in the Veter-
6 ans Health Administration under an appointment
7 under section 7402(b) of this title; and

8 “(2) who owes—

9 “(A) any amount of principal or interest
10 under a loan the proceeds of which were used
11 by or on behalf of the individual to pay costs
12 relating to a course of education or training at
13 a qualifying educational institution which
14 course led to a degree that qualified the individ-
15 ual for a position referred to in paragraph (1);
16 or

17 “(B) any amount of principal or interest
18 under a loan the proceeds of which are being
19 used by or on behalf of the individual to pay
20 costs relating to a course of education or train-
21 ing at a qualifying educational institution which
22 course leads to a degree that qualifies the indi-
23 vidual for such a position.

24 “(b) Any eligible individual seeking to participate in
25 the Education Debt Reduction Program shall submit an
26 application to the Secretary relating to such participation.

1 **“§ 7663. Preference for assistance**

2 “In selecting individuals for assistance under the
3 Education Debt Reduction Program, the Secretary shall
4 give preference to the following:

5 “(1) Individuals who have completed or are en-
6 gaged in, as the case may be, a two-year or four-
7 year course of education or training at an under-
8 graduate institution leading to a degree that quali-
9 fied or qualifies, as the case may be, the individuals
10 for a position referred to in section 7662(a)(1) of
11 this title.

12 “(2) Individuals who serve in the Veterans
13 Health Administration—

14 “(A) in areas in which the recruitment or
15 retention of an adequate supply of qualified
16 health-care personnel is difficult (as determined
17 by the Secretary); or

18 “(B) in positions for which the recruitment
19 or retention of such a supply of such personnel
20 is difficult (as so determined).

21 **“§ 7664. Amount of assistance**

22 “(a) Subject to subsection (b), the Secretary may pay
23 to an individual selected to receive assistance under the
24 Education Debt Reduction Program an amount not to ex-
25 ceed \$4,000 (adjusted in accordance with section 7631 of
26 this title) for each full year served by the individual in

1 a position in the Veterans Health Administration under
 2 section 7402(b) of this title (other than a position referred
 3 to in paragraph (1) or (2) of such section) after the date
 4 of such individual's selection.

5 “(b)(1) An individual may receive assistance under
 6 the Education Debt Reduction Program only to assist the
 7 individual in paying amounts (including principal and in-
 8 terest) owed by the individual under a loan referred to
 9 in section 7662(a)(2) of this title.

10 “(2) An individual may receive assistance under the
 11 Education Debt Reduction Program for a year if—

12 “(A) the individual serves for the full year in a
 13 position referred to in subsection (a); and

14 “(B) maintains an acceptable level of perform-
 15 ance during such service.

16 “(3) The total amount of assistance received by an
 17 individual under the Education Debt Reduction Program
 18 may not exceed \$12,000 (adjusted in accordance with sec-
 19 tion 7631 of this title).”.

20 (2) The table of sections at the beginning of such
 21 chapter is amended by adding at the end thereof the fol-
 22 lowing:

“SUBCHAPTER VI—EDUCATION DEBT REDUCTION PROGRAM

“7661. Authority for program.

“7662. Eligibility; application.

“7663. Preference for assistance.

“7664. Amount of assistance.”.

1 (b) CONFORMING AMENDMENTS.—Section 7631 of
2 title 38, United States Code, is amended—

3 (1) in subsection (a), by striking out “and the
4 maximum Selected Reserve member stipend
5 amount” and inserting in lieu thereof “the maxi-
6 mum Selected Reserve stipend amount, and the edu-
7 cation debt reduction amount and limitation”; and

8 (2) in subsection (b)—

9 (A) by redesignating paragraph (4) as
10 paragraph (5); and

11 (B) by inserting after paragraph (3) the
12 following new paragraph (4):

13 “(4) The term ‘education debt reduction
14 amount and limitation’ means the maximum amount
15 of assistance, and the limitation applicable to such
16 assistance, for a person receiving assistance under
17 subchapter VI of this chapter, as specified in section
18 7663 of this title and as previously adjusted (if at
19 all) in accordance with this subsection.”.

20 (c) REGULATIONS.—The Secretary of Veterans Af-
21 fairs shall prescribe regulations necessary to carry out the
22 Education Debt Reduction Program established under
23 subchapter VI of chapter 76 of title 38, United States
24 Code (as added by subsection (a)). The Secretary shall

1 prescribe such regulations not later than 90 days after the
2 date of the enactment of this Act.

3 (d) REPORT.—Not later than one year after the date
4 of the enactment of this Act, the Secretary shall submit
5 to Congress a report on the effectiveness of the Education
6 Debt Reduction Program and the Department of Veterans
7 Affairs Health Professional Scholarship Program estab-
8 lished under subchapter II of chapter 76 of title 38, Unit-
9 ed States Code, in assisting the Secretary in the recruit-
10 ment and retention of qualified health-care professionals
11 for positions in the Veterans Health Administration.

12 (e) AUTHORIZATION OF APPROPRIATIONS.—(1)
13 There is authorized to be appropriated for the Department
14 of Veterans Affairs \$10,000,000 for each of fiscal years
15 1994 through 1998 to carry out the Education Debt Re-
16 duction Program.

17 (2) No funds may be used to provide assistance under
18 the program unless expressly provided for in an appropria-
19 tion Act.

20 (f) EXEMPTION FROM LIMITATION.—Section 523(b)
21 of the Veterans Health Care Act of 1992 (Public Law
22 102–585; 38 U.S.C. 7601 note) shall not apply to the
23 Education Debt Reduction Program.

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